

OFFICE OF THE MISSISSIPPI SECRETARY OF STATE  
SECURITIES DIVISION

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IN THE MATTER OF:

COKER & PALMER, INC.  
AND FRANK HOWARD ZITO

ADMINISTRATIVE CONSENT  
ORDER LS-18-3126-2

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Respondents

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CONSENT ORDER OF HEIGHTENED SUPERVISION

WHEREAS, the Securities Division of the Mississippi Secretary of State ("Division"), has the authority to administer and provide for the enforcement of all provisions of the Mississippi Securities Act ("Act") codified at Mississippi Code Annotated Sections 75-71-101, *et. seq.*;

WHEREAS, the Division received and investigated a complaint against Respondent Frank Howard Zito ("Zito");

WHEREAS, Zito cooperated with the Division and settled the complaint against him by Administrative Consent Order LS-18-3126;

WHEREAS, terms of the consent order between Zito and the Division require heightened supervision by any new firm with which Zito is affiliated;

WHEREAS, Respondent Coker & Palmer, Inc. ("Coker & Palmer") wishes to employ Zito and agrees to supervise him according to the heightened supervision requirements set forth in this Order;

NOW, THEREFORE, the Division, as Administrator of the Act, hereby enters this Order:

## ORDER

1. This Order is entered into solely for the purpose of setting forth the terms of heightened supervision for Coker & Palmer to supervise Zito and is not intended to be used for any other purpose.
2. For a period of two years from the date of his affiliation with Coker & Palmer, Zito may not work alone in an office without a full-time supervisor on site;
3. Zito will not be allowed to serve in any supervisory or compliance capacity, or as a "person-in-charge" for a period of three years;
4. Zito must have a firm-issued email address and may not conduct brokerage or advisory business using any other email address. Zito's supervisor must review 100% of Zito's firm email address correspondence monthly for a period of twenty four months, and must document the review;
5. Zito's supervisor must conduct a review of Zito's personal email account activity quarterly for twenty four months to see if any securities related correspondence has taken place through personal email accounts.
6. Zito's supervisor must review Zito's website(s) and social media site(s) quarterly and document the review. This review must be random and unannounced.
7. Zito's supervisor must review Zito's book of business, client files, sales practices, and outside business activities and document the review at least quarterly;
8. At least three of Zito's customers must be randomly contacted by Zito's supervisor each quarter to review Zito's compliance with the firm's suitability requirements. The contact must be noted by the supervisor and reported to the Division;
9. The supervising firm must notify the Division immediately of any internal or

external verbal or written complaints or investigations associated with Zito; and

10. Annually, for a period of two years from the date of his affiliation with the approved firm, Zito will complete ten hours of continuing education regarding investment adviser compliance, of which two hours must be on ethics.

11. Within 30 days of the execution of this Consent Order, Coker & Palmer will submit to the Division a written plan of heightened supervision to ensure compliance with the terms set forth above.

12. If Respondents default in any of the obligations set forth in this Order, the Division may vacate this Order, at its sole discretion, upon fifteen (15) days' notice to Respondents and without opportunity for administrative hearing and refer this matter for enforcement as provided in Section 75-71-604 (g) of the Act.

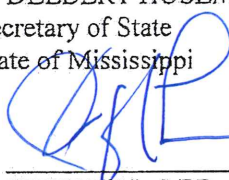
13. This Order contains, constitutes, and embodies the entire agreement between the undersigned, there being no agreement of any kind, verbal or otherwise, which varies, alters, or adds to this Order; and this Order supersedes any prior communication, understanding, or agreement, whether written or oral, concerning the subject matter of this Order.

14. In the event that one or more provisions contained in this Order shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Order.

Date: 11/7/2018

C. DELBERT HOSEMANN, JR.  
Secretary of State  
State of Mississippi

By:

  
\_\_\_\_\_  
JEFFREY L. LEE  
Senior Attorney  
Securities Division

CONSENT TO ENTRY OF FINAL ORDER

Coker & Palmer, Inc.

The undersigned representative of Coker & Palmer, Inc. hereby acknowledges that he/she has been served with a copy of this Administrative Consent Order ("Order"); has read this Order; and understands that entry into the Order is a required condition to employ Frank Howard Zito.

Coker & Palmer, Inc. admits the jurisdiction of the Division and consents to entry of this Order by the Division solely for purpose of employing and supervising Frank Howard Zito.

The undersigned states that no promise of any kind or nature whatsoever was made to induce the firm to enter into this Order and that it has entered into this Order voluntarily. The undersigned states that he/she executes this Order with full authority of Coker & Palmer to do so.

Dated, this the 7<sup>th</sup> day of Nov 2018.

COKER & PALMER, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

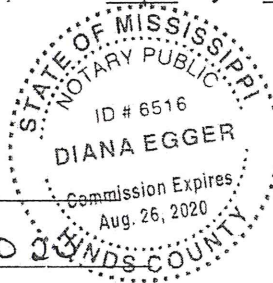
STATE OF Mississippi

COUNTY OF Hinds

SUBSCRIBED AND SWORN TO before me, this the 7 day of November 2018.

Diana Egger  
Notary Public

My commission expires: Aug 26, 2020



CONSENT TO ENTRY OF FINAL ORDER

Frank Howard Zito

Frank Howard Zito hereby acknowledges that he has been served with a copy of this Administrative Consent Order ("Order") has read this Order, is aware of his right to a hearing and appeal in this matter, and has waived the same.

Frank Howard Zito admits the jurisdiction of the Division and consents to entry of this Order by the Division solely for purposes of settlement.

Frank Howard Zito states that no promise of any kind or nature whatsoever was made to him to induce him to enter into this Order and that he has entered into this Order voluntarily.

Dated, this the 2<sup>nd</sup> day of November 2018.

FRANK HOWARD ZITO

Frank H Zito

STATE OF Louisiana  
Parish  
COUNTY OF Orleans

SUBSCRIBED AND SWORN TO before me, this the 2<sup>nd</sup> day of November 2018.

Nadine B. Hammonds  
Notary Public  
My commission expires: upon death

NADINE B. HAMMONDS  
Notary Public  
Parish of Orleans, State of Louisiana  
Notary Identification #8679  
My Commission is Issued for Life